

International Business News

Australia's AMP to partner China Life

AFP, Sydney

Australian insurer AMP on Sunday said it planned to partner the world's biggest listed life insurer China Life in pensions and fund management, as it grows its business in Asia.

AMP Limited said it had signed a memorandum of understanding for strategic cooperation with China Life Insurance (Group) Company which outlined asset management and pensions as areas for partnership.

The deal offers "significant potential" for AMP to extend its reach in the world's fastest growing major economy at a time when China's private pensions market is expected to hit one trillion dollars (933 billion US) by 2030, it said.

"This announcement represents a significant milestone in the development of our Asian strategy," chief executive Craig Dunn said in a statement.

"We will work closely with China Life to explore opportunities where we can draw on our areas of strength for mutual benefit."

The partnership sets a strong foundation for both organisations to cooperate on opportunities in China, Australia and the Asia-Pacific region."

Germany not back at pre-crisis level for two years: Minister

AFP, Berlin

The German economy, Europe's largest, will need at least two more years until it recovers to its strength before the global financial crisis, Economy Minister Rainer Brueckerle said on Sunday.

Data released on Friday showed that Germany, one of the world's top exporters, was on its way to recovery after its worst recession in six decades, but Brueckerle pulled no punches when describing the pain still ahead.

"2010 will not be an easy year. I fear that the number of unemployed people will rise significantly," he told the Bild am Sonntag paper in an interview.

"To get back to the level of 2008, we will need at least two more years," he said.

Buoyed by some 80 billion euros (119 billion dollars) of cash injections from the state, the German economy expanded by 0.7 percent in the third quarter of this year, official statistics showed on Friday.

Berlin expects the economy to grow by 1.2 percent in 2010, following a historic contraction of five percent in 2009 as demand for goods "made in Germany" dried up around the crisis-hit world.



A Thai woman unloads paper scrap from her cart in Thailand's southern province of Yala yesterday. Thai consumer confidence dropped for the first time in five months in October due to increasing political uncertainty, delays to large infrastructure projects and high oil prices, a survey showed on November 12.

State investors warn against financial protectionism

AFP, Singapore

Protectionist barriers aimed at capital-rich sovereign wealth funds (SWFs) could backfire on the fragile global economy, top executives of major state investment firms warned here Saturday.

SWFs have the capital needed by affected economies to recover from the global crisis but governments may come under domestic pressure to impose protectionist measures, they said.

Tony Tan, deputy chairman of the Government of Singapore Investment Corp (GIC), said the biggest danger facing the world economy in coming years is protectionist sentiment, which may be stoked by high unemployment rates.

Tan, speaking at a business forum on the sidelines of an Asia-Pacific summit, said protectionism could spread from the trade arena to financial markets.

After economic collapse, Iceland agrees 'honesty' is key

AFP, Reykjavik

After a year of soul-searching over the financial crisis that floored Iceland's economy, Icelanders are apparently yearning for the return of old-fashioned qualities like honesty.

Honesty came top on Saturday when 1,500 Icelanders gathered in Reykjavik were asked to discuss what kind of society they wanted.

A grassroots organisation calling itself The Anthill convened a so-called National Assembly of 1,200 people from the age of 18, chosen randomly, along with 300 representatives of organizations and institutions.

They were asked to name the values Icelandic society should be based upon, as well as their vision for the country's future and possible ways of rebuilding the country's economy and society.

"We have been trying to find a vision for Iceland, what kind of society we want for the future," participant Erlingur Hansson told AFP.

INFORMATION TECHNOLOGY

Local fingerprints on world stage

MD HASAN

It may be hard to believe fingerprints, a traditional substitute for signatures, could craft business worth millions of dollars.

TigerIT BD.com, a local IT company, is bagging work worth millions from the global market by selling its Automated Fingerprint Identification System (AFIS), an identity solution. It is a process of automatically matching one or more fingerprints against a database of known or unknown prints.

Local companies may also adopt the innovation after knowing the US Federal Bureau of Investigation intends to work with TigerIT for the ID solution.

Local software makers are neglected in regards to obtaining deals from the government and private entities for providing technology solutions. However, confidence rose after TigerIT successfully provided voter IDs for 80 million people with the help of the Bangladesh Army in 2007-08.

TigerIT provided software solutions to build the national database.

"Our success could be a positive example for local software makers who fail to convince local policymakers," said Ziaur Rahman, chairman and chief executive officer of TigerIT, in a recent interview with The Daily Star.

Local IT firms fail to tap international markets due to a lack of recognition, he said. "There is no other alternative to having local reference in getting work abroad."

He said the size of Bangladesh's IT (information technology) market will grow rapidly as the government announced a target to create a 'Digital Bangladesh' by 2021.

In Bangladesh, more than 300 firms are developing IT-based solutions, but most failed to compete in the local market despite performing smoothly in global markets.

Several local IT firms are providing IT solutions to multinationals across the globe. But the sector could strengthen in Bangladesh if the government patronises local IT firms, as in India, Rahman said.

He said local firms in India get priority over foreign companies. "We should change our traditional mindset that foreign solutions are always better than the local ones," he said, adding that Bangladesh should go for foreign technology solutions that are not available here.



Ziaur Rahman

TigerIT is software maker specialising in ID and fingerprint-based solutions. The company's AFIS fingerprint matching solution ranked number one in the Minutiae Interoperability Exchange (MINEX) test by the US based NIST (National Institute of Standards and Technology).

The TigerID AFIS is a set of services that can reside on a single server, or be distributed across an array of servers, depending on the anticipated transaction volume.

With the close of a successful chapter in making voter IDs in Bangladesh, TigerIT ID solutions are now being used in the US, EU and African countries.

TigerIT also engaged in providing ID solutions to Indonesia, Nepal, Thailand, Sri Lanka, Africa, Canada, Columbia and some other parts of South America.

"Our software solution is being used by

22 states in the US under a government e-commerce project," Rahman said.

TigerIT has developed an application by which the US government collects online reports from homes for disabled citizens on utilisation of government funds.

More than 100 Pizza Hut outlets in the US are also providing sales services by using TigerIT's solution, said the company chief.

Besides, TigerIT also developed a cell phone browser, which has become popular in the US, Rahman said. It is now in talks to sell the cell phone browser to the EU.

"The Nigerian Army also selected us for their ID project," said Rahman.

In regards to recognition from the US, Rahman said, "We are now the number one in fingerprint matching solutions. We see this success as a step towards being a global player."

He said the FBI has also expressed interest to work with TigerIT after receiving the recognition.

TigerIT has recently submitted a bid for the machine-readable passport (MRP) project in Nepal.

"We want to become a global leader in ID solutions," said Rahman. However, he said like other local IT firms, he also faces hurdles in exporting solutions to the global market.

Bangladesh produces more than 2,000 programmers a year. "We are even more advanced than India in making IT solutions, especially high-end products," he said.

On company revenue, Rahman said: "We are doing business worth millions of dollars."

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APEC SUMMIT

Rough sailing for trans-Pacific trade pact

AFP, Singapore

A free-trade zone covering over half the global economy is in the works after an annual Asia-Pacific summit, but the ambitious idea looks likely to remain a pipe dream for years if not decades.

The same issues that have stalled the Doha round of global talks could bog down efforts to achieve the Free Trade Area of the Asia Pacific (FTAAP), along with domestic political resistance, analysts and officials said.

At this weekend's Asia-Pacific Economic Cooperation summit, leaders including US President Barack Obama and China's Hu Jintao pledged to "explore building blocks" of a free market covering all of Apec's 2.6 billion people.

The leaders tasked ministers and officials to report back next year on their consultations about the vast zone, which would stretch from Chile to China via the United States.

Apec's 21 members account for 40 percent of the world's population and 54 percent of its gross domestic product.

One possible starting point for FTAAP is a little-known grouping called the Trans-Pacific Partnership (TPP) involving Brunei, Chile, New Zealand and Singapore, the only existing trade pact linking both sides of the Pacific.

Obama said at the weekend that his administration would be "engaging" with the TPP, giving rise to hopes that Washington would sign on to the group and bring other nations along. Vietnam, Australia and Peru are also interested.

Singapore Prime Minister Lee Hsien Loong said the TPP was "this little nucleus, this little seed, which we hope will in time grow into a significant tree and pillar for



US President Barack Obama speaks with Russian President Dmitry Medvedev during meetings in Singapore, site of the Asia-Pacific Economic Cooperation (Apec) summit, yesterday. Leaders of the Asia-Pacific region are considering a free-trade zone covering over half the global economy.

free trade and cooperation in the Asia-Pacific".

Australia's government said it would host talks on expanding the small group "early next year", with US trade officials taking part.

Regional officials say other options include harmonising the more than 40 regional and bilateral trade pacts among Apec members, and building on existing cooperation frameworks largely focused on East Asia.

In addition, Japan and Australia are proposing alternative formulas for regional integration, including free trade arrangements.

But Apec members already agreed 15 years ago to liberalise trade and investment among developed economies by 2010 and the rest by 2020, and there is little indication that the 2010 target will be met.

Lee said the landscape may appear "messy" but the idea of an overarching trade pact should be allowed to progress gradually.

Indonesian Trade Minister Mari Pangestu said moving toward a Pacific-wide trade zone would turn Apec -- a loose grouping whose members' commitments are not legally binding -- into a new negotiating forum.

"We have difficult and sensitive issues that we face in the negotiations in Doha, and we will face the same difficulties when we negotiate an FTAAP, so for us the priority is let's solve it and conclude it (Doha) first."

The Doha round of World Trade Organization talks has been in suspended animation due to disputes between developed and developing countries over issues including farm subsidies and market access.

Chia Siow Yue, a senior research fellow with the Singapore Institute of International Affairs, cautioned against unrealistic expectations for the Pacific pact.

"Two years, three years? It's impossible because you are dealing with 21 economies with different levels of development, different cultures, different political regimes," she told AFP.

Chia said it took ASEAN's 10 members 40 years to achieve the cohesion they have now, which includes an ASEAN Free Trade Area.

"Can you imagine how long it will take the FTAAP if you have the cultures of the Pacific, cultures of North America, South America and East Asia?" she said. "There's a lot of shadow-boxing."